



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Director of Mental Health

At its meeting held March 22, 2005, the Board took the following action:

5

At the time and place regularly set, notice having been duly given, the following item was called up:

Hearing on proposed Department of Mental Health's revised
Published Charges for Fiscal Year 2004-05 to include additional rates
for Half-Day Treatment Intensive services, effective April 1, 2005, as
further described in the attached letter dated February 24, 2005.

Opportunity was given for interested persons to address the Board. No interested persons addressed the Board. No correspondence was submitted.

On motion of Supervisor Burke, seconded by Supervisor Knabe, unanimously carried, the Board closed the hearing and approved the Department of Mental Health's revised Published Charges for Fiscal Year 2004-05, effective April 1, 2005.

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Attachment

Copies distributed:
Each Supervisor
Auditor-Controller
Chief Administrative Officer
County Counsel

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

SUSAN KERR
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



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DEPARTMENT OF MENTAL HEALTH

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

<http://dmh.co.la.ca.us>

February 24, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**HEARING ON DEPARTMENT OF MENTAL HEALTH'S
REVISED PUBLISHED CHARGES FOR FISCAL YEAR 2004-2005
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the attached revised Department of Mental Health (DMH) Published Charges (Attachment I) for Fiscal Year (FY) 2004-2005, effective April 1, 2005, in order to comply with Federal Short-Doyle/Medi-Cal (SD/MC) Lower of Cost or Charges (LCC) reimbursement and routine cost requirements.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Board action is required to revise the Board approved FY 2004-2005 Published Charges to include additional rates for Half-Day Treatment Intensive service – one rate for Medi-Cal and one rate for all other responsible financial parties. A Half-Day Treatment Intensive service is less than four (4) hours. This half-day rate has been developed and included in the FY 2004-2005 Published Charges to accommodate the State's new ruling on the Day Treatment Intensive program. The State DMH has ruled that the time it takes to transport clients cannot be counted towards the minimum hours of a day treatment program, e.g. three (3) hours for a half-day and four (4) plus hours for a full-day. However, the County can claim for other mental health services provided to the clients during this transportation process if the services are medically necessary, referenced on the client plan as an intervention to treat the mental health condition, provided within scope of practice, and approved by DMH.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

MAR 22 2005

Violet Varona-Lukens
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

Previously, the travel time was counted toward the minimum hours of a day treatment program resulting in a full-day service, four (4) hours or more. This practice is disallowable and accordingly, a day treatment service of less than four (4) hours is needed.

The current Published Charges for FY 2004-2005 approved by your Board on June 22, 2004, are still in effect. This action adds an additional service category to DMH's schedule of covered service benefits. Presently, DMH's schedule of covered service benefits only reflects a full day rate for the Day Treatment Intensive service. This action is to add a half-day rate for such service. Board action is required to ensure that Published Charges are in compliance with Medi-Cal requirements. The recovery of Federal revenues in compliance with State and Federal regulations necessitates that Published Charges be established at least annually. Federal requirements stipulate that Published Charges are to be determined at the Countywide level.

Implementation of Strategic Plan Goals

The recommended Board action is consistent with the principles of the Countywide Strategic Plan Organizational Goal No. 4, "Fiscal Responsibility." This action will ensure that Published Charges are in compliance with Medi-Cal requirements, thereby averting Federal LCC audit disallowance.

FISCAL IMPACT/FINANCING

The subject does not apply.

Approval of the two (2) rates for Half-Day Treatment Intensive service will be compliant with the Federal LCC principle and will avoid audit disallowances. DMH has not included any charges, which are set by either State or Federal agencies for which it has no jurisdictional rate setting authority. DMH will bill those charges as directed by those authorities.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In FY 2003-2004, your Board approved DMH's revised Published Charges on October 28, 2003, to permit DMH to include administrative overhead costs for all services that will be billed to non-Medi-Cal responsible financial parties. For Medi-Cal plans, the methodology to calculate the Published Charges to bill Medi-Cal plans remains the same as originally approved by the Board on June 24, 2003. The rates for Medi-Cal plans do not include administrative overhead costs. Medi-Cal administrative

costs are reimbursed through a separate and specific mandated State reimbursement methodology. Accordingly, this action will result in the Published Charges rates for the Half-Day Treatment Intensive service – one (1) rate for Medi-Cal and one (1) rate for all other responsible financial parties.

The Published Charges for FY 2004-2005 were developed using actual cost report data for FY 2002-2003 and/or FY 2003-2004. This cost report data was adjusted by the Federal Home Health Agency Market Basket Index.

Government Code Section 66018, added by stats. 1990, ch. 1572 (AB 3228), §20, requires the publication of notice and a public hearing to be held prior to the adoption of new fees or the increase of existing fees. Such a notice will be published at the minimum of 10 days prior to the public hearing.

CONTRACTING PROCESS

The subject does not apply since DMH's Published Charges apply only to DMH's directly operated clinics.

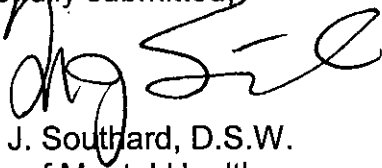
IMPACT ON CURRENT SERVICES

The recommended revised Published Charges will become effective April 1, 2005. Failure to establish new annual Published Charges will result in reduced revenues from non-Medi-Cal, Medi-Cal, and Healthy Families plans.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board's action. It is requested that the Executive Officer notifies the Department of Mental Health's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'MJS', is written over the typed name of Marvin J. Southard.

Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:GSK:AD:aw

Attachment

c: Chief Administrative Officer
County Counsel
Auditor-Controller
Chairperson, Mental Health Commission

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
FISCAL YEAR 2004-2005 PUBLISHED CHARGES (REVISED)
EFFECTIVE APRIL 1, 2005**

<u>SERVICE DESCRIPTION</u>	<u>MODE</u>	<u>SERVICE FUNCTION CODE</u>	<u>SERVICE UNIT</u>	<u>NON-MEDI-CAL 04/05 RATES</u>	<u>MEDI-CAL 04/05 RATES</u>
Jail Inpatient	05	50 - 59	Client Day	\$251.90	N/A
Day Treatment Intensive:					
Half Day (3-4 hours)	10	81 - 84	Half Day	142.41	\$123.33
Full Day (more than 4 hours)	10	85 - 89	Full Day	184.80	\$160.04
Day Rehabilitation:					
Half Day (3-4 hours)	10	91 - 94	Half Day	76.75	66.47
Full Day (more than 4 hours)	10	95 - 99	Full Day	119.81	103.76
Targeted Case Management	15	01 - 09	Minute	1.78	1.54
Mental Health Services	15	10 - 59	Minute	2.29	1.98
Medication Support Services	15	60 - 69	Minute	4.40	3.81
Crisis Intervention	15	70 - 79	Minute	3.55	3.07
Mental Health Promotion	45	10 - 19	Staff Hour	185.22	N/A
Community Client Services	45	20 - 29	Staff Hour	170.96	N/A
Medi-Cal Administration Activities	55	01 - 39	Minute	N/A	1.53
Conservatorship,					
Investigation	60	20 - 29	Staff Hour	145.50	N/A
Administration	60	30 - 39	Staff Hour	145.50	N/A
Life Support/Board & Care	60	40 - 49	Day	25.80	N/A
Case Management Support	60	60 - 69	Staff Hour	92.51	N/A

MJS:BRD:MB

COUNTY OF LOS ANGELES

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February 24, 2005

LEGAL NOTICE OF HEARING

TO: Violet Varona-Lukens
Executive Officer, Board of Supervisors

FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **PUBLIC NOTICE OF HEARING ON PROPOSED
BILLING RATES FOR FISCAL YEAR 2004-2005**

Publishing

This matter has been set for public hearing at the regular Board meeting on March 22, 2005. Pursuant to Government Code Section 6062a, notice of this hearing must be published twice, in a newspaper, which is published once a week or more often. The first publication must be no later than _____, 2005 and the second at least six (6) days thereafter.

Please publish the attached public notice, which has been reviewed and approved by Richard Mason, Principal Deputy County Counsel, and retain the listing of recommended billing rates for your files.

If you have any questions or require additional information, please contact Gurubanda Singh Khalsa, Finance Specialist, at (213) 738-4608.

MJS:GSK:AD:aw

Attachment

c: Gurubanda Singh Khalsa

Hearing notice 2004-05 rates

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
FISCAL YEAR 2004-2005 PUBLISHED CHARGES (REVISED)
EFFECTIVE APRIL 1, 2005**

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL 04/05 RATES	MEDI-CAL 04/05 RATES
Jail Inpatient	05	50 - 59	Client Day	\$251.90	N/A
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Case Management Support	60	60 - 69	Staff Hour	92.51	N/A

MJS:BRD:MB

NOTICE OF HEARING ON PROPOSED PUBLISHED CHARGES
FOR PATIENT CARE SERVICES

Notice is hereby given that a public hearing will be held by the Board of Supervisors, establishing revised rates for patient care services for Fiscal Year 2004-2005. It is proposed that such rates be made effective April 1, 2005.

Said hearing will be held on March 22, 2005, at 9:30 a.m. in the Hearing Room of the Board of Supervisors, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street (the corner of Temple Street and Grand Avenue), Los Angeles, California 90012.

The Board of Supervisors will consider and may adopt the Published Charges. Further, notice is given that the Board of Supervisors may continue this hearing from time to time.

Any person wishing to be heard on this matter may appear and make a presentation before the Board of Supervisors, at such time, regarding these proposed Published Charges. Written comments may be sent to the Executive Office of the Board of Supervisors at the above address.

The proposed Published Charges will be on file and available for review at the Clerk of the Board, Room 383, Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012, or at the Department of Mental Health, Accounting Division, 8th Floor, 550 South Vermont Avenue, Los Angeles, California 90020, from 8:00 a.m. to 5:00 p.m.

For further information regarding this matter, please telephone the County of Los Angeles, Department of Mental Health, Financial Services Bureau at (213) 738-4717.

Si no entiende esta noticia o si necesita mas informacion favor de llamar a este numero (213) 738-4717.

VIOLET VARONA-LUKENS
EXECUTIVE OFFICER
Board of Supervisors

MJS:GSK:AD:aw

Public notice 2004-05 rates